be a receipt of Rs. 24,924 and to this extent the capital expenditure on the sub-merged pipe scheme will stand abated. The net result will be that at the end of 1115 the capital expenditure on account of the pipe line, after taking into account the two instalments of repayments towards capital amounting in all to Rs. 16,000 will come to Rs. 1,29,107.

Navigation Canals and Communications

40. The expenditure for the Shanmukham canal, the Appangat canal and the Shoranur bridge was met by debit to capital expenditure. The total expenditure on account of these schemes at the end of 1115 will be Rs. 1,78,500, Rs. 11,287 and Rs. 55,065 respectively. Of these, works on the Appangat canal had to be dropped for want of co-operation from the local public. A dividend of 4 per cent of the capital expenditure on account of the Shanmukham canal has been guaranteed by the Irinjalakkuda Municipality. From the toll collections of the Shoranur bridge it is expected that after providing a sum of Rs. 2,065 towards interest at 3½ per cent there will be a balance of Rs. 3,935 for repayment of capital next year.

LOANS TO MUNICIPALITIES.

41. At the end of 1113 Government had advanced the following amounts to the Ernakulam and Trichur Municipalities.

Ernakulam Rs. 64,400
Trichur Rs. 6,52,776

Of these, the loan of Rs. 64,400 to Ernakulam Municipality is the aggregate of different loans taken on different dates.

42. The loan to the Trichur Municipality was taken in 1113. At the end of the current year it is expected that as per the Revised Estimate figures the loans to Ernakulam Municipality will stand at Rs. 64,900 and the loan to the Trichur Municipality would have been completely repaid. The Trichur Municipality raised in the open market a loan of Rs. 6½ lakhs to repay the outstandings due to the Government. This Municipal loan, though the first of the kind in the State, was a great success.

43. A loan of Rs. 50,000 will be granted to the Mattancheri Municipality in the current year to help them in financing the extension of the water mains.

44. In the coming year it is anticipated that the Trichur Municipality may require a loan of Rs. 1,16,430 to purchase electrical machinery and accessories for the Power House. The formal application from the Municipality has not arrived and therefore the terms of this loan have yet to be fixed. Both the Ernakulam and the

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Mattancheri Municipalities will be repaying a portion of the outstandings and at the end of 1115 it is expected that the loans to Municipalities will stand as follows :—

		Rs.
Ernakulam	..	56,400
Trichur	..	1,16,430
Mattancheri	..	40,000

ASSETS AND LIABILITIES

45. After meeting all these commitments under ordinary and capital expenditure Government have been able to make appreciable advances in their cash investments. The total of the Government investments at the end of 1114 will stand at Rs. 68·64 lakhs as compared to Rs. 45·76 lakhs at the end of 1113. Of these, very nearly Rs. 40 lakhs will stand invested in Government securities, Rs. 27 lakhs in Fixed Deposits and a little less than Rs. 2 lakhs in companies. The assets of the State over liabilities at the end of the current year and at the end of next year will stand at Rs. 111·34 and Rs. 116·41 lakhs respectively. This is excluding the large investments the State has made in the earlier years by debit to revenue expenditure.

46. These features should satisfy anyone inside or outside this House of the prosperity and absolute soundness of our financial position.

47. I have now rendered to you a complete survey of the financial position of the Cochin State beginning with 1113 and ending with the estimates for the new year. I cannot close better than with the observation that its one fundamental feature is the deep wish and eagerness of the administration to mobilise and turn all its resources to the one object of fostering the well being and advancement of His Highness's subjects without impairing in the attempt in anyway the financial stability and the unimpeachable credit of our State.

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